

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

In re: BLACKJEWEL, L.L.C., <i>et al.</i> , Debtors. ¹	LEAD CASE NO. 3:19-bk-30289 Joint Administration Chapter 11 Judge Frank W. Volk
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**RESPONSE TO COURT INQUIRY RELATING TO
REQUESTED REIMBURSEMENT OF EXPENSES**

Whiteford, Taylor & Preston, LLC (“WTP”), as counsel for the Official Committee of Unsecured Creditors of Debtors Blackjewel, L.L.C., *et al.* (the “Committee”), respectfully submits this *Response* (the “Response”) to this Honorable Court’s *Order* entered on December 3, 2019, relating to requested expense reimbursements [Doc. No. 1502] (the “December 3rd Order”), and in support thereof, states as follows:

1. Upon review of the *Application for Interim Compensation by Whiteford, Taylor & Preston, LLC* [Doc. No. 1242] (the “WTP Application”), this Honorable Court entered the December 3rd Order seeking, among other things, clarification of certain expenses sought in the WTP Application.

2. Following is a chart with explanations of expenses incurred per the December 3rd Order:

¹ The debtors in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) and the last four digits of each debtor’s taxpayer identification number are as follows: Blackjewel, L.L.C. (0823); Blackjewel Holdings L.L.C. (4745); Revelation Energy Holdings, LLC (8795); Revelation Management Corporation (8908); Revelation Energy, LLC (4605); Dominion Coal Corporation (2957); Harold Keene Coal Co. LLC (6749); Vansant Coal Corporation (2785); Lone Mountain Processing, LLC (0457); Powell Mountain Energy, LLC (1024); and Cumberland River Coal LLC (2213) (collectively, the “**Debtors**”). The headquarters for each of the Debtors is located at 1051 Main Street, Milton, West Virginia 25541-1215.

Date of Expense	Nature of Expense	Individual (s) Involved	Amount of Expense	Court's Comment(s)	WTP Response
7.22.2019	Meals	D. Schimizzi	\$40.97	Was this lunch for only one person?	No. This lunch expense covered the meals for two (2) individuals – Daniel Schimizzi and Michael Roeschenthaler. The average cost per person was \$20.49. <i>Notwithstanding the above, WTP will waive its request for reimbursement of this cost.</i>
8.6.2019	Meals	Roeschenthaler, Riley, Rapp	\$165.49	This is a large amount for a meal for three people.	This meal followed a full day of hearings and meetings. Before tax and gratuity, the cost was \$128.50, which equates to \$42.83 per person. <i>Notwithstanding the above, WTP will waive its request for reimbursement of this cost.</i>
8.7.2019	Travel/Lodging	Roeschenthaler	\$445.31	This is expensive for a one-night stay in a Charleston, WV hotel.	This reimbursement request relates to a three (3) night stay at the Four Points by Sheraton. The average room cost per night was \$129.00 before taxes and fees. \$7.48 of this expense related to beverages purchased at the gift shop. \$50.83 relates to applicable taxes, and occupancy/tourism fees.

Date of Expense	Nature of Expense	Individual (s) Involved	Amount of Expense	Court's Comment(s)	WTP Response
8.7.2019	Travel/Lodging	D. Schimizzi	\$744.15	This is expensive for a one-night stay in a Cincinnati, OH hotel.	<p>This reimbursement request relates to a two (2) night stay at the Hilton Hotel.</p> <p>The hotel rate was \$260 per night before taxes.</p> <p>\$67.15 of this expense related to meals over the course of two days for three (3) individuals – Daniel Schimizzi, Richard Riley, and Jack Surdoval. The average cost per person was \$22.38.</p> <p>The hotel charged \$66.00 for parking.</p> <p>Taxes for the 2-night stay were \$91.00.</p>
8.8.2019	Travel/Lodging	B. Rapp	\$526.12	This is expensive for a one-night stay in a Charleston, WV. hotel.	<p>This reimbursement request relates to a three (3) night stay at the Four Points by Sheraton.</p> <p>The average room cost per night was \$129.33 before taxes and fees.</p> <p>\$39.03 of this expense related to meals for Brandy Rapp over the course of her stay.</p> <p>\$5.60 of this expense related to beverages purchased at the gift shop.</p> <p>\$93.50 relates to applicable taxes, parking, and occupancy/tourism fees.</p>

Date of Expense	Nature of Expense	Individual (s) Involved	Amount of Expense	Court's Comment(s)	WTP Response
8.16.2019	Miscellaneous – Videographer at Pax Mine	N/A	\$1,257.75	The Court would like further details about this expense.	Discussed below.
8.21.2019	Travel/Lodging	B. Rapp	\$558.54	This is expensive for a one-night stay in a Charleston, WV. hotel.	<p>This reimbursement request relates to a three (3) night stay at the Four Points by Sheraton.</p> <p>The average room cost per night was \$152.67 before taxes and fees.</p> <p>\$4.67 of this cost related to beverages/sundries purchased at the gift shop.</p> <p>\$95.86 relates to applicable taxes parking, and occupancy/tourism fees.</p>
8.21.2019	Meals	Roeschenthaler, Rapp, Vorsteg	\$206.72	This is a large amount for a meal for three people.	<p>This meal followed a full day of 341 meetings and related meetings of professionals. This was the only meal billed for that day.</p> <p>Before tax and gratuity, the cost was \$161.00, which equates to \$53.67 per person for meals on that day.</p> <p><i>Notwithstanding the above, WTP will waive its request for reimbursement of this cost.</i></p>

Date of Expense	Nature of Expense	Individual (s) Involved	Amount of Expense	Court's Comment(s)	WTP Response
8.22.2019	Meals	Roeschenthaler, Riley, Rapp, Vorsteg	\$192.60	This is a large amount for a meal for four people.	This was the only meal billed for that day. Before gratuity, the cost of the meal was \$160.50, which equates to \$40.12 per person for meals on that day (including the ratable tax on each meal). <i>Notwithstanding the above, WTP will waive its request for reimbursement of this cost.</i>
9.5.2019	Miscellaneous – Site Visit to Belle Ayr and Eagle Butte Mines and Videographer	N/A	\$1,679.89	The Court would like further details about this expense.	Discussed below.

3. With respect to the videographer expenses, counsel for the Committee received conflicting reports as to the amount of coal that was “on the ground” at both the Pax Mine and the Belle Ayr and Eagle Butte Mines. Counsel for the Committee received multiple calls from creditors suggesting there was significant inventory available for shipping at the Debtors’ mines. In light of the conflicting reports and the ongoing inquiries, coupled with the liquidity issues of the Debtors at that time, the decision was made to conduct a site visit and video the then-existing inventory. The Committee wanted to better understand its options with respect to coal inventory, which is why the Committee incurred the videographer costs.

Dated: December 4, 2019

WHITEFORD TAYLOR & PRESTON LLP

/s/ Brandy M. Rapp
Brandy M. Rapp (WV Bar No. 10200)
10 S. Jefferson Street, Suite 1110
Roanoke, Virginia 24011
(540) 759-3577 Tel.
(540) 759-3567 Fax
brapp@wtplaw.com

Michael J. Roeschenthaler (PA Id. No. 87647)
Daniel J. Schimizzi (PA Id No. 311869)
200 First Avenue, Third Floor
Pittsburgh, PA 15222
(412) 618-5601 Tel.
mroeschenthaler@wtplaw.com
dschimizzi@wtplaw.com

*Counsel for Official Committee of Unsecured
Creditors of Blackjewel, L.L.C., et al.*